

CONFIDENTIALMay 15th, 1959COCOM Document No. 3523COORDINATING COMMITTEERECORD OF DISCUSSIONONUNITED STATES PROPOSAL TO ADD ITEM 1510 TO THE ITEMS LISTED IN ITEM 1416(e)May 11th, 1959

Present: Belgium (Luxembourg), Denmark, France, Germany, Italy, Japan, Netherlands, United Kingdom, United States.

References: COCOM 549, 1104, 3376, 3379, 3397, 3422, 3442, 3445, 3455, 3458, 3469, 3485, 3499, 3507, Sub-C.(58) 3.

1. The CHAIRMAN recalled that at the last meeting he had summed up under three headings and he invited Delegates to give the views of their authorities on these three points (COCOM 3507, paragraph 16).
2. The NETHERLANDS Delegate stated that his authorities could accept points (b) and (c) as given in paragraph 16 of COCOM 3507. As for (a), they would prefer a slight modification of the wording since, as had already been explained to the Committee, it was impossible to give an absolute guarantee that the installation of equipment covered by Item 1510 would not be permitted if its value were more than 50% of the total cost of the repair work undertaken.
3. The UNITED KINGDOM Delegate said that his authorities were unwilling to exercise their persuasion in the matter of installing Item 1510 equipment to the extent that work might be lost to United Kingdom shipyards but, subject to the provisos mentioned at the previous meeting (COCOM 3507, paragraph 7), they could accept (a). As for (b) they accepted the principle of statistical reporting but they wished to make it clear that they could not report on equipment already in position on ships entering United Kingdom shipyards for repairs. With regard to (c) his authorities would be grateful if the United States Delegation would clarify the phrase "clearly identifiable as fish finding or whale finding equipment". The Delegate felt that this phrase could give rise to difficulties and pointed out that no list of equipment would be acceptable to his authorities.
4. The BELGIAN and DANISH Delegates said that their position was the same as that of their Netherlands colleague.
5. The ITALIAN and JAPANESE Delegates stated that their authorities could accept points (a), (b) and (c) as given in paragraph 16 of COCOM 3507.
6. The GERMAN Delegate said that his authorities could accept (a), (b) and (c). As far as (c) was concerned they understood that the identification of the equipment would be made by the exporting country. He reiterated that his authorities considered that servicing cases could be freely undertaken (COCOM 3499, paragraph 3) and that they considered the whole of point (a) to be governed by the phrase "to the maximum extent possible".

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7. The UNITED STATES Delegate said that his authorities considered that it seemed hardly possible to make the phrase in (c) "except for such equipment as was clearly identifiable as fish finding or whale finding equipment" any more precise. However in an effort to reach agreement they were willing to modify this to read: "excluding all types of fish finding or whale finding equipment". As far as (a) was concerned his authorities hoped that if the installation of equipment covered by Item 1510 came to more than 50% of the total cost of repair work, this clause would be administered as a complete embargo. They were sure that all Member Countries would act in good faith and would exercise the strictest possible enforcement of this agreement. In order to overcome difficulties which had been mentioned by a number of Delegations, he was willing to refer the following text back to his authorities:

"With respect to the repairs and alterations to ships owned or controlled by the Sino-Soviet Bloc, Member Countries should take such steps as may be necessary, to the maximum extent possible,

(i) to avoid installation of equipment covered by the definition of Item 1510, and

(ii) to prevent such installation if the value of the equipment covered by Item 1510 is more than 50% of the total cost of the repairs and installations to be undertaken.

The installation of such equipment should be reported in the monthly statistical returns to COCOM."

8. The COMMITTEE agreed to continue the discussion on May 25th.

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